

March 5, 2015

Testimony in favor of SB 858 to protect the full minimum wage for tipped workers to the Labor Committee.

My name is Peggin Knox and I am a server at a national chain of restaurants. I submit this testimony to explain to the members of this committee how much harm will be done if the tip credit minimum wage does not increase.

There is a misperception that servers earn wild amounts of money through their tips. I have witnessed a customer leave a thirty eight cent tip, I personally have been left with nothing at all; it happens about four times each week, about once a shift. When customers don't tip they way they should, the way that custom dictates, I get paid less than the minimum wage. Because so much of my income depends on customers, I often don't know how much money I will make from week to week.

Imagine if this week you expected to earn \$500.00 and earned only \$375.00. How would you budget for all of your expenses? You wouldn't be able to budget and you would run into financial crisis. Isn't that what you want to protect your constituents from?

Servers have no recourse against a customer leaving no tip or tipping badly. Most servers I know will do whatever they can to please their customers regardless of the tip because they have pride in their work. But we perform all our services in exchange for the hope that the customer will make up the difference between our sub minimum wage and the usual minimum wage. When customers don't tip or leave an insufficient tip, it's like working for free.

Furthermore, since gratuity is not added to large parties' bills any longer, my sales for one night can be very high and they can leave a small tip or or no tip at all. Recently, a party of eight had a bill of \$172.17. Fifteen percent of that would have amounted to a \$25.80 tip but the party of eight left me \$13.00. Based on my sales that night, I had to contribute \$20.00 to the tip pool, and it doesn't matter that I didn't actually get paid that much in tips

The only way to guarantee that every server in this state earns a living wage is to make sure that customers are not responsible for paying us that living wage, but that our employers pay us the same minimum wage that everyone else is required to pay. A standard minimum wage, commensurate with other employees in other industries, would remove customers who are often unreliable from our paychecks. It would provide us with some security knowing that we are sure to earn a certain amount every week.

Peggin Knox